

AMENDED IN ASSEMBLY AUGUST 23, 2004

AMENDED IN SENATE MAY 24, 2004

AMENDED IN SENATE MAY 4, 2004

AMENDED IN SENATE APRIL 21, 2004

SENATE BILL

No. 1754

**Introduced by Senators Battin and Denham
(Coauthors: Senators Aanestad and Johnson)**

(Coauthors: Assembly Members Bates, Bogh, Cogdill, Daucher, Dutton, Garcia, Harman, Shirley Horton, La Malfa, Maze, Pacheco, and Spitzer)

February 20, 2004

An act to add Section 14682 to the Government Code, relating to state property.

LEGISLATIVE COUNSEL'S DIGEST

SB 1754, as amended, Battin. State property: use of real property: Department of General Services.

Existing law generally sets forth the duties and authority of the Department of Finance in overseeing the fiscal affairs of the state and the duties and authority of the Department of General Services in acquiring, assigning, and maintaining property on behalf of state agencies.

This bill would provide that final determination of the use of ~~real property~~ *existing state-owned or state-leased office space that is currently* under the jurisdiction of the Department of General Services by state agencies shall be made by the Department of General Services with the concurrence of the Department of Finance. It would provide

that the request of an agency to acquire new facilities requires the approval of the Department of Finance in addition to any applicable requirement of approval by the Legislature. It would require the Department of General Services to procure approved new facilities for ~~the agency~~ *any agency that currently leases, purchases, acquires, or constructs its own office space through the department* that meet the agency's needs using cost efficiency as a primary criterion, among any other agency-specific criteria, as applicable. It would require the Department of General Services to first consider the utilization of existing state-owned, state-leased, or state-controlled ~~real property office facilities~~ under the control or authority of the Department of General Services that meets that criterion before considering the leasing of additional ~~real property office facilities~~ on behalf of a state agency. It would also require that when tenant state agencies located in existing state-owned ~~real property office space~~ vacate their premises, they continue to pay rent for the ~~real property facilities~~ unless and until a new tenant can be assigned or until the Department of General Services can negotiate a mutual termination of the lease, unless the department has generated the tenant's relinquishment or the tenant is vacating in accordance with the provisions of its lease agreement.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14682 is added to the Government
 2 Code, to read:
 3 14682. (a) Final determination of the use of ~~real property~~
 4 *existing state-owned and state-leased office space that is currently*
 5 *under the jurisdiction of the Department of General Services by*
 6 *state agencies shall be made by the Department of General*
 7 *Services with the concurrence of the Department of Finance.*
 8 (b) A request of an agency to acquire new *office* facilities
 9 through lease, purchase, or construction shall require the approval
 10 of the Department of Finance in addition to any applicable
 11 requirement of approval by the Legislature. ~~The~~ *In addition to any*
 12 *other applicable requirements, the* Department of General
 13 Services shall procure approved new ~~facilities for the agency office~~
 14 *facilities for any agency that currently leases, purchases, acquires,*
 15 *or constructs its own office space through the department* that meet

the agency's needs using cost efficiency as a primary criterion, among any other agency-specific criteria, as applicable. The Department of General Services shall first consider the utilization of existing state-owned, state-leased, or state-controlled ~~real property~~ *office facilities* under the control or authority of the Department of General Services that meets that criterion before considering the leasing of additional ~~real property~~ *office facilities* on behalf of a state agency.

(c) When tenant state agencies located in existing state-owned ~~real property office space~~ vacate their premises, they shall continue paying rent for the ~~real property facilities~~ unless and until a new tenant can be assigned or until the Department of General Services can negotiate a mutual termination of the lease. If the department generates the tenant's relinquishment, or if the tenant is vacating in accordance with the provisions of its lease agreement, the tenant shall not be obligated to pay rent after vacating the premises.

(d) *The Legislature finds and declares all of the following:*

(1) *It is not the intent of the Legislature in enacting this section to increase the jurisdiction of the Department of General Services over construction, facilities, and real property that is not currently under the jurisdiction of the department.*

(2) *It is the intent of the Legislature that existing state-owned or state-leased offices are fully utilized by state agencies before entering into new leases by permitting the Department of General Services and the Department of Finance to control office facility use by state agencies.*

(3) *It is the intent of the Legislature that mere cost efficiency is not the sole criteria to be used in evaluating new leases or acquisition of office facilities by state agencies. Other factors to be considered should include, but need not be limited to, access to the agency's customer or constituent base, security, convenience of location, design for employees, and other program needs and requirements.*